

FIRST NATIONAL BANK IN BARTLESVILLE

BRUCE E. OAKLEY
SENIOR VICE PRESIDENT

November 13, 1980

RECORDATION NO. 12421 Filed 1425

NOV 18 1980 -2 55 PM

INTERSTATE COMMERCE COMMISSION

0-323A131

Secretary of the Interstate
Commerce Commission
Washington, D.C. 20423

No. 1
Date NOV 18 1980
Fee \$ 50.00

ICC Washington, D. C.

Gentlemen:

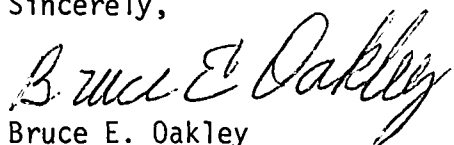
Please record the enclosed Security Agreement (original and two certified copies) covering one 100-ton truck covered hopper rail-car RRRX-3069, AAR mechanical designation "LO". Parties to the transaction are:

Mortgagor: Randy M. Phillips
P. O. Box 331
Booker, TX 79005

Mortgagee: First National Bank in Bartlesville
P. O. Box 999
Bartlesville, OK 74003

We are enclosing our Cashier's Check No. 17822 for \$50 to cover recordation fees. Please return the original document to: First National Bank in Bartlesville, Attention: Mr. Bruce Oakley, P. O. Box 999, Bartlesville, OK 74003.

Sincerely,



Bruce E. Oakley
Senior Vice President

BE0/bmb/ab
Enclosures

NOV 18 2 51 PM '80
DOCKET FILES
BRANCH

Interstate Commerce Commission
Washington, D.C. 20423

12/2/80

OFFICE OF THE SECRETARY

First National Bank in Bartlesville
P.O. Box 999
Bartlesville, OK 74003
Atten: Bruce Oakley

Dear

Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **11/18/80** at **2:55pm**, and assigned re-recording number(s) **12421**.

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

SECURITY AGREEMENT

RECORDATION NO. 12421 FILED 11/20

NOV 18 1980 - 2 55 PM

A. PARTIES:

BANK

FIRST NATIONAL BANK
P. O. Box 999
Bartlesville, Okla. 74003

(1) DEBTOR: Randy Phillips
(2) Address: Hooker
(3) County and State: Lipscomb, Texas

INTERSTATE COMMERCE COMMISSION

B. AGREEMENT

Subject to the applicable terms of this security agreement, debtor grants to bank a security interest in the collateral to secure the payment of the obligation.

C. OBLIGATION

1. The following is the obligation secured by this agreement:

a. All past, present, and future advances, of whatever type, by bank to debtor, and extension and renewals thereof.

b. All existing and future liabilities, of whatever type, of debtor to bank, and including (but not limited to) liability for overdrafts and as indorser and surety.

c. All costs incurred by bank to obtain, preserve, and enforce this security interest, collect the obligation, and maintain and preserve the collateral, and including (but not limited to) taxes, assessments, insurance premiums, repairs, reasonable attorneys' fees and legal expenses, feed, rent, storage costs, and expenses of sale.

d. Interest on the above amounts, as agreed between bank and debtor, or if no such agreement, at the maximum rate permitted by law.

2. List notes included in the obligation as of the date of this agreement:

Date	Amount
9-11-80	42,000.00

D. COLLATERAL

1. The security interest is granted in the following collateral:

a. 100-ton truck covered hopper railcar Identifying marks RRRX - 3069
AAR mechanical designation "LO"

The collateral will be kept _____ in _____ county, _____.

b. All substitutes and replacements for, accessions, attachments, and other additions to, and tools, parts, and equipment used in connection with, the above property; and the increase and unborn young of animals and poultry. If Collateral includes livestock, Debtor hereby grants a security interest in all increase thereof, all feed, both hay and grain, owned by Debtor, all water privileges, all equipment used in feeding and handling said livestock, and all of Debtor's right, title, and interest in and to all contracts and leases covering lands for pasture and grazing purposes.

c. All property similar to the above hereafter acquired by debtor, and all property and articles now, and which may hereafter be, used or mixed with, added or attached to, and-or substituted for, any of the foregoing described property.

2. Classify goods under (one or more of) the following Uniform Commercial Code categories:

☐ Consumer goods ☐ Equipment (farm use) ☐ Equipment (business use) ☐ Farm products ☐ Inventory

3. ☐ If this block is checked, this is a purchase money security interest and debtor will use funds advanced to purchase the collateral, or bank may disburse funds direct to the seller of the collateral, and to purchase insurance on the collateral.

4. If any of the collateral is accounts or contract rights, give the location of the office where the records concerning them are kept (if other than debtor's address in Item A2).

5. Coverage of proceeds or products for financing statement purposes is not to be construed as giving debtor any additional rights with respect to the collateral, and debtor is not authorized to sell, lease, otherwise transfer, furnish under contracts of service, manufacture, process, or assemble the collateral except in accordance with the provisions on the back of this security agreement.

6. THE DEBTOR AGREES THAT HE HAS READ THIS AGREEMENT AND THAT THIS AGREEMENT INCLUDES AND IS SUBJECT TO THE ADDITIONAL PROVISIONS SET FORTH BELOW AND ON THE REVERSE SIDE HEREOF, SUCH ADDITIONAL PROVISIONS BEING INCORPORATED HEREIN BY REFERENCE.

ADDITIONAL PROVISIONS ON BACK

Dated: 9-11-80, 19

FIRST NATIONAL BANK IN BARTLESVILLE
Bartlesville, Oklahoma

By: [Signature]
Secured Party

ATTEST: [Signature]
Secretary

By: [Signature]

DEBTOR(S)

ADDITIONAL TERMS

AGREEMENT OF DEBTOR

1. Debtor will: take adequate care of the collateral; insure the collateral for such hazards and in such amounts as bank directs, policies to be satisfactory to bank; pay all costs necessary to obtain, preserve, and enforce this security interest, collect the obligation, and preserve the collateral, and including (but not limited to) taxes, assessments, insurance premiums, repairs, reasonable attorneys' fees and legal expenses, feed, rent, storage costs, and expenses of sale; furnish bank with any information on the collateral requested by bank; allow bank to inspect the collateral and inspect and copy all records relating to the collateral and the obligation; sign any papers furnished by bank which are necessary to obtain and maintain this security interest; assist bank in complying with the Federal Assignment of Claims Act, where necessary to enable bank to become an assignee under such Act; take necessary steps to preserve the liability of account debtors, obligors, and secondary parties whose obligations are part of the collateral; transfer possession of all instruments documents, and chattel paper which are part of the collateral to bank immediately, or as to those hereafter acquired, immediately following acquisition; perfect a security interest (using a method satisfactory to bank), in goods covered by chattel paper which is part of the collateral; notify bank of any change occurring in or to the collateral, or in any fact or circumstance warranted or represented by debtor in this agreement or furnished to bank, or if any event of default occurs.

2. Debtor will not (without bank's consent): remove the collateral from the locations specified herein; allow the collateral to become an accession to other goods; sell, lease, otherwise transfer, manufacture, process, assemble, or furnish under contracts of service the collateral, except goods identified herein as inventory; allow the collateral to be affixed to real estate, except goods identified herein as fixtures.

3. Debtors warrants: no financing statement has been filed with respect to the collateral, other than relating to this security interest; debtor is absolute owner of the collateral, and it is not encumbered other than by this security interest (and the same will be true of collateral acquired hereafter when acquired); none of the collateral is affixed to real estate or an accession to other goods, nor will collateral acquired hereafter be affixed to real estate or an accession to other goods when acquired, unless debtor has furnished bank the consents or disclaimers necessary to make this security interest valid against persons holding interests in the real estate or other goods; all account debtors and obligors, whose obligations are part of the collateral, are to the extent permitted by law prevented from asserting against bank any claims or defenses they have against sellers.

RIGHTS OF BANK

Bank may, in its discretion, before or after default: terminate, on notice to debtor, debtor's authority to sell, lease, otherwise transfer, manufacture, process or assemble, or furnish under contracts of service, inventory collateral, or any other collateral as to which any such permission has been given; require debtor to give possession or control of the collateral to bank; indorse as debtor's agent any instruments or chattel paper in the collateral; notify account debtors and obligors on instruments to make payment direct to bank; contact account debtors directly to verify information furnished by debtor; take control of proceeds and use cash proceeds to reduce any part of the obligation; take any action debtor is required to take or otherwise necessary to obtain, preserve, and enforce this security interest and maintain and preserve the collateral, without notice to debtor and add costs of same to the obligation. (but bank is under no duty to take such action); release collateral in its possession to debtor, temporarily or otherwise; require additional collateral; reject as unsatisfactory any property hereafter offered by debtor as collateral; set standards, from time to time, to govern what may be used as after-acquired collateral, designate, from time to time, a certain per cent of the collateral as the loan value and require debtor to maintain the obligation at or below such figure; act as attorney-in-fact for debtor in obtaining, adjusting, settling, and cancelling any insurance and endorsing any drafts; take control of funds generated by the collateral, such as dividends, interest, and proceeds or refunds from insurance, and use same to reduce any part of the obligation; vote any stock which is part of the collateral, and exercise all other rights hereunder without such waiver prohibiting the later exercise of the same or similar rights; revoke any permission or waiver previously granted to debtor; set-off all or part of any obligation against any of debtor's deposit accounts (including checking or savings accounts, or certificates of deposit).

G. MISCELLANEOUS

The rights and privileges of bank shall inure to its successors and assigns. All representations, warranties, and agreements of debtor are joint and several if debtor is more than one and shall bind debtor's personal representatives, heirs, successors, and assigns. Definitions in the Uniform Commercial Code apply to words and phrases in this agreement; if Code definitions conflict, Article 9 definitions apply. Debtor waives presentment, demand, notice of dishonor, protest, and extension of time without notice as to any instruments and chattel paper in the collateral.

H. DEFAULT

1. Any of the following is an event of default: use of the collateral in violation of any applicable statute, regulation, or ordinance; if motor vehicles, use in rental service or in any speed or endurance contest; failure of debtor to pay any note in the obligation in accordance with its terms, or any other liability in the obligation on demand, or to perform any act or duty required by this agreement; falsity of any warranty or representation in this agreement when made; substantial change in any fact warranted or represented in this agreement; involvement of debtor in bankruptcy or insolvency proceedings; death, dissolution, or other termination of debtor's existence; merger or consolidation of debtor with another; substantial loss, theft, destruction, sale reduction in value, encumbrance of, damage to, or change in the collateral; modification of any contract, the rights to which are part of the collateral; levy on, seizure, or attachment of the collateral; judgement against debtor; filing any financing statement with regard to the collateral, other than relating to this security interest; bank's belief that the prospect of payment of any part of the obligation, or the performance of any part of this agreement, is impaired.

2. When an event of default occurs, the entire obligation becomes immediately due and payable at bank's option without notice to debtor, and bank may proceed to enforce payment of same and exercise any and all of the rights and remedies available to a secured party under the Uniform Commercial Code as well as all other rights and remedies. When debtor is in default, debtor, upon demand by bank, shall assemble the collateral and make it available to bank at a place reasonably convenient to both parties. Unless the collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market (for example, livestock sold at a livestock auction, stocks and bonds sold over the counter or listed on a stock exchange). Secured party will give Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. Where notice of sale or other disposition is required, a notice mailed to debtor's address, postage prepaid, in Item A(2), or to debtor's most recent changed address on file with bank, at least ten days before time of sale, or other disposition, shall be deemed reasonable, as shall any actual notice given directly to debtor in person or by telephone at least five days before such sale or other disposition.

FIRST AND PRIOR LIEN

This security interest grants to bank a first and prior lien to secure the payment of the notes listed herein, and extensions and renewals thereof. If bank disposes of the collateral following default, the proceeds of such disposition available to satisfy the indebtedness shall be applied first to the notes listed herein, and renewals and extensions thereof, in the order of execution, and thereafter to all remaining indebtedness secured hereby, in the order in which such remaining indebtedness was executed or contracted. For the purpose of this paragraph, an extended or renewed note will be considered executed on the date of the original note.

STATE OF OKLAHOMA)
COUNTY OF WASHINGTON) SS.

Before me, the undersigned, a duly qualified notary public in and for the said county and State, on this 11th day of September, 1980, personally appeared Randy M. Phillips, to me known to be the identical person who executed the within and foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

WITNESS my hand and official seal the day and year last above written.

Alene Brewer
Notary Public

My commission expires November 1, 1983
(SEAL)

STATE OF OKLAHOMA)
COUNTY OF WASHINGTON) SS.

Before me, the undersigned, a duly qualified notary public in and for the said county and State, on this 11th day of September, 1980, personally appeared Paul D. Brown, to me known to be the identical person who subscribed the name of First National Bank in Bartlesville, Oklahoma, the maker thereof to the foregoing instrument as its Vice President, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation for the uses and purposes therein set forth.

WITNESS my hand and official seal the day and year last above written.

Alene Brewer
Notary Public

My commission expires November 1, 1983
(SEAL)

STATE OF OKLAHOMA)
COUNTY OF WASHINGTON) SS.

CERTIFICATION OF COPY

The undersigned, a duly qualified notary public in and for the said county and State, on this 11th day of September, 1980, do certify that the original of the foregoing instrument has been exhibited to me and that I have compared the copy with the original document and that it is a true and correct copy in all respects. Witness my hand and official seal the day and year last above written.

Allen Brewer

Notary Public

My commission expires

November 1, 1983

(SEAL)